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CLERK U.S. DISTRICT COURT
CENTRAL DIST. OF CALIF.
LOS ANGELES

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UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA
SOUTHERN DIVISION

February 2018 Grand Jury

UNITED STATES OF AMERICA,

Plaintiff,

v.

THU VAN LE,
 aka "Tony Le,"
CHAU NGUYEN,
 aka "Cindy Le,"
TRUONG GIANG LE,
 aka "Ted Le,"
CHANH VAN LE,
 aka "Kevin Le,"
NHA LE TUAN TRUONG, and
JEFFREY LAWRENCE,
 aka "Jey,"

Defendants.

No. SA CR 18-
18CR00119
I N D I C T M E N T

[18 U.S.C. § 1347: Health Care Fraud; 18 U.S.C. § 1349: Conspiracy to Commit Health Care Fraud; 42 U.S.C. § 1320a-7b(b): Illegal Remunerations in Connection with Federal Health Care Programs; 18 U.S.C. § 1956(a)(1)(B)(i): Money Laundering; 18 U.S.C. §§ 982(a)(1), (a)(7), 28 U.S.C. § 2461(c): Criminal Forfeiture; 18 U.S.C. § 2: Aiding and Abetting and Causing an Act to be Done]

The Grand Jury charges:

COUNTS ONE AND TWO

[18 U.S.C. §§ 1347, 2)

At all times relevant to this Indictment:

1 A. INTRODUCTORY ALLEGATIONS

2 1. Defendant THU VAN LE, also known as ("aka") "Tony Le"
3 ("defendant TONY LE"), was a resident of Orange County, California; a
4 pharmacist licensed by the State of California; the owner of TC
5 Medical Pharmacy ("TCMP"), located at 760 Washburn Ave., Suite 1,
6 Corona, California; a co-operator and the silent owner of Mars Hill
7 Pharmacy ("MHP"), located at 144 Mountain View Rd., Mars Hill, North
8 Carolina; and the beneficial owner of numerous bank and financial
9 institution accounts, including accounts held or operated by
10 nominees, as more fully alleged herein.

11 2. Defendant CHAU NGUYEN, aka "Cindy Le" ("defendant CINDY
12 LE"), was a resident of Orange County, California; a pharmacist
13 licensed by the State of California; a co-operator of TCMP; the
14 principal of Cinemma Pharmaceuticals, Inc., doing business as
15 Emmacare RX, whose principal place of business was located at 4130
16 Flat Rock Drive, Unit 150, Riverside, California; and the beneficial
17 owner of numerous bank and financial institution accounts, including
18 accounts held or operated by nominees, as more fully alleged herein.

19 3. Defendant TRUONG GIANG LE, aka "Ted Le" ("defendant TED
20 LE"), was a resident of Orange County, California; the nominee owner
21 and a co-operator of MHP; and the nominee of defendant TONY LE for
22 bank accounts that defendant TONY LE beneficially owned, including an
23 account at First Citizens Bank in Mars Hill, North Carolina, into
24 which TRICARE reimbursement payments were paid and deposited in
25 reliance on fraudulently submitted claims.

26 4. Defendant CHANH VAN LE, aka "Kevin Le" ("defendant KEVIN
27 LE"), was a resident of Orange County, California; the manager of
28 MHP; and the nominee holder of bank accounts that defendants TONY LE

1 and CINDY LE beneficially owned and that were used to conceal and
2 launder the proceeds of specified unlawful activity, namely, health
3 care fraud, and to fund the payment of illegal kickbacks.

4 5. Defendant JEFFREY LAWRENCE, aka "Jey" ("defendant
5 LAWRENCE"), was a resident of Los Angeles County and the beneficial
6 owner of an entity called "Wellytics Inc.," through which he
7 fraudulently solicited prescriptions from insured individuals and
8 through which he received kickbacks.

9 Compounded Medications

10 6. In general, "compounding" was a practice by which a
11 licensed pharmacist, a licensed physician, or, in the case of an
12 outsourcing facility, a person under the supervision of a licensed
13 pharmacist, combines, mixes, or alters ingredients of a drug or
14 multiple drugs to create a drug tailored to the needs of an
15 individual patient. Compounded drugs were not approved by the U.S.
16 Food and Drug Administration ("FDA"), that is, the FDA did not verify
17 the safety, potency, effectiveness, or manufacturing quality of
18 compounded drugs. The California State Board of Pharmacy regulated
19 the practice of compounding in the State of California. The North
20 Carolina Board of Pharmacy regulated the practice of compounding in
21 the State of North Carolina.

22 7. Compounded drugs were available when an FDA-approved drug
23 did not meet the health needs of a particular patient. For example,
24 if a patient was allergic to a specific ingredient in an FDA-approved
25 medication, such as a dye or a preservative, a compounded drug could
26 be prepared excluding the substance that triggered the allergic
27 reaction. Compounded drugs were available when a patient could not
28 consume a medication by traditional means, such as an elderly patient

1 or a child who could not swallow an FDA-approved pill and needed the
2 drug in a liquid form that was not otherwise available.

3 TRICARE

4 8. TRICARE was a health care benefit program, as defined by 18
5 U.S.C. § 24(b), and a federal health care program, as defined by 42
6 U.S.C. § 1302a-7b(f)(1), that provided health care benefits, items,
7 and services to Department of Defense beneficiaries world-wide,
8 including active duty service members, National Guard and Reserve
9 members, retirees, their families, and survivors.

10 9. Individuals who received health care benefits through
11 TRICARE were referred to as TRICARE beneficiaries. The Defense
12 Health Agency ("DHA"), an agency of the United States Department of
13 Defense, was responsible for overseeing and administering the TRICARE
14 program.

15 10. TRICARE provided health care benefits for certain
16 prescription drugs, including certain compounded drugs, that were
17 medically necessary and prescribed by a licensed physician. Express
18 Scripts, Inc. ("ESI") was a prescription benefit plan provider that
19 administered TRICARE's prescription drug benefits.

20 11. TRICARE beneficiaries could fill their prescriptions
21 through military pharmacies, TRICARE's home delivery program, network
22 pharmacies, and non-network pharmacies. If a beneficiary chose a
23 network pharmacy, the pharmacy was required to collect a co-pay from
24 the beneficiary, or first obtain a waiver of the need to collect a
25 co-pay, dispense the drug to the beneficiary, and then submit a claim
26 for reimbursement to ESI that, in turn, would adjudicate the claim
27 and reimburse the pharmacy. To become a TRICARE network pharmacy, a
28 pharmacy agreed to be bound by, and comply with, all applicable State

1 and Federal laws, specifically including those addressing waste,
2 fraud, and abuse, and all applicable TRICARE rules and regulations.

3 12. On or about June 25, 2014, defendant TONY LE, on behalf of
4 TCMP, executed a TRICARE network agreement (through ESI) that
5 authorized TCMP to submit claims for reimbursement for dispensing
6 prescription drugs for TRICARE beneficiaries. Prior to in or about
7 April 2015, MHP, through its predecessor owner, D.H., executed a
8 similar TRICARE network agreement (through ESI) that remained
9 operative when defendant TONY LE and others acquired MHP in or about
10 April 2015.

11 13. TCMP's TRICARE claims activity for compounded medications
12 prescriptions was approximately as follows:

PERIOD	NUMBER OF CLAIMS	AMOUNT BILLED	AMOUNT PAID
CALENDAR YEAR 2013	2	\$5,842	\$1,362
CALENDAR YEAR 2014	26	\$79,705	\$29,029
CALENDAR YEAR 2015	301	\$13,831,682	\$10,982,759

16 14. For the calendar year 2013, TRICARE reimbursed MHP
17 approximately zero dollars for filling compounded medications
18 prescriptions. For the calendar year 2014, TRICARE reimbursed MHP
19 approximately \$183 for filling three compounded medications
20 prescriptions for a total of two beneficiaries.

21 15. On or about April 24, 2015, defendants TONY LE and TED LE,
22 and others known and unknown to the Grand Jury, purchased an option
23 to buy, and began operating, MHP. During the period of approximately
24 April 25, 2015, to May 8, 2015, inclusive, MHP submitted
25 approximately 547 TRICARE claims for reimbursement for purportedly
26 filling compounded medications prescriptions. Substantially all of
27 the prescriptions were purportedly authorized by the same physician
28 and all of the TRICARE beneficiaries in whose names the prescriptions

1 were written had been solicited by a marketer to whom defendant TONY
 2 LE had promised to pay substantial kickbacks. For this brief period,
 3 MHP submitted claims to TRICARE for approximately \$28,000,000, and
 4 TRICARE paid MHP reimbursements of approximately \$22,000,000.

5 16. MHP's TRICARE claims activity for the calendar years of
 6 2013 through May 8, 2015, inclusive, was thus approximately as
 7 follows:

PERIOD	NUMBER OF CLAIMS	AMOUNT BILLED	AMOUNT PAID
CALENDAR YEAR 2013	0	0	0
CALENDAR YEAR 2014	3	Unknown	\$183
April 25, 2015 to May 8, 2015	547	\$28,078,494	\$22,763,983

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 11 AMPLAN

12 17. The National Railroad Passenger Corporation, doing
 13 business as Amtrak ("Amtrak"), established an employee health care
 14 benefit plan to provide health care benefits to its employees and
 15 employees' qualifying dependents.

16 18. The health care benefit plan established by Amtrak for its
 17 employees, known as the Amtrak Union Benefits Plan ("AMPLAN"), was a
 18 health care benefit program affecting interstate commerce that
 19 provided medical benefits, items, and services to employees and their
 20 qualified dependents. AMPLAN was a health care benefit program, as
 21 defined by 18 U.S.C. § 24(b).

22 B. THE FRAUDULENT SCHEME

23 19. Beginning on or about a date unknown, but at least as
 24 early as in or about March 2015, and continuing to in or about
 25 December 2016, in Orange and Riverside Counties, within the Central
 26 District of California, the Western District of North Carolina, and
 27 elsewhere, defendants TONY LE, CINDY LE, TED LE, KEVIN LE, and
 28 LAWRENCE, together with others known and unknown to the Grand Jury,

1 knowingly, willfully, and with the intent to defraud, executed and
2 attempted to execute a scheme and artifice:

3 (a) to defraud TRICARE and AMPLAN as to material matters in
4 connection with the delivery of and payment for health care benefits,
5 items, and services; and (b) to obtain money from TRICARE and AMPLAN
6 by means of materially false and fraudulent pretenses and
7 representations and the concealment of material facts in connection
8 with the delivery of and payment for health care benefits, items, and
9 services.

10 C. MANNER AND MEANS OF THE FRAUDULENT SCHEME

11 20. The fraudulent scheme operated in substance in the
12 following manner:

13 a. Defendant TONY LE caused agreements to be prepared and
14 executed between TCMP and others, including defendant LAWRENCE and
15 co-schemers Robert Paduano ("R.P."), Anthony Paduano ("A.P."), and
16 others known and unknown to the Grand Jury (hereinafter collectively
17 referred to as "marketers"), to pay kickbacks for the referral of
18 compounded medications prescriptions. The marketers similarly
19 entered into agreements with "sub-marketers," including B.F., B.W.,
20 and G.E., to pay kickbacks to the sub-marketers for the referral of
21 compounded medications prescriptions that the marketers would, in
22 turn, forward to pharmacies in exchange for the kickbacks from which
23 marketers would take "over-ride" payments.

24 b. Defendants TONY LE and CINDY LE caused compounded
25 medications prescription forms to be prepared and distributed to
26 marketers that identified multiple compounded medications
27 formulations, purportedly for conditions including pain, stretch
28 marks, migraines, wound rinse, and general wellness, which were

1 included on the forms and selected by the marketers because they
2 provided the maximum possible TRICARE and AMPLAN reimbursements
3 rather than based on individual patient needs and medical necessity.

4 c. Marketers, including defendant LAWRENCE, R.P, A.P., and
5 others known and unknown to the Grand Jury, solicited and entered
6 into agreements with third parties, including co-schemer Thomas S.
7 Powers, M.D. ("Powers"), and physicians P.B., N.C., T.K., L.W., to
8 pay such third parties and physicians a fee for authorizing
9 compounded medications prescriptions, with such fees characterized as
10 for a "consult" or "file review." Co-schemer R.P. fraudulently
11 misrepresented to physicians, and others, that he operated a
12 legitimate telemedicine company that used health care professionals
13 to "prescreen" TRICARE beneficiaries in connection with their seeking
14 prescription medications. Co-schemer A.P., and others known and
15 unknown to the Grand Jury, paid cash kickbacks to Powers in exchange
16 for the writing of prescription medications that A.P., in turn,
17 referred to defendant TONY LE in exchange for kickbacks funded by
18 TRICARE claims reimbursements.

19 d. Marketers R.P., A.P., and others known and unknown to the
20 Grand Jury, and their sub-marketers, solicited TRICARE beneficiaries
21 at military installations and businesses and by "cold-calling"
22 beneficiaries. The marketers induced the beneficiaries to provide
23 personal identifying information and TRICARE insurance information,
24 as well as confidential health condition information, through
25 misrepresentations that TRICARE would provide compounded medications
26 to them free of charge, with no copayment, and upon a simple
27 telephone consultation with a physician. In truth and in fact, as

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1 the marketers then well knew, a copayment was required and there
2 would be no physician consultation.

3 e. After obtaining the beneficiaries' personal and insurance
4 information, marketers R.P., A.P., their sub-marketers, and others
5 known and unknown to the Grand Jury, used the form that had been
6 provided by defendants TONY LE and CINDY LE to designate
7 prescriptions for each beneficiary that such marketers and sub-
8 marketers, none of whom had any health care training, selected as
9 appropriate. The marketers selected the prescriptions to maximize
10 TRICARE reimbursements and, in turn, the amount of the kickbacks that
11 the marketers would receive under their agreements with TCMP. The
12 marketers then sent patient personal identifying and TRICARE
13 information, along with the completed prescription forms, to Powers
14 and physicians P.B., N.C., T.K., L.W., and others known and unknown
15 to the Grand Jury, for authorization, and paid and caused to be paid
16 to such physicians a fee per patient for authorizing the
17 prescriptions. The marketers then caused the authorized
18 prescriptions to be sent to TCMP and MHP for fulfillment.

19 f. Defendant LAWRENCE solicited AMPLAN beneficiaries by
20 fraudulently inducing them to participate in a meal plan or exercise
21 regimen, for which defendant LAWRENCE promised to provide protein
22 supplements, "Fitbits," and colon cleansers. After defendant
23 LAWRENCE obtained the beneficiaries' personal identifying and AMPLAN
24 insurance information, defendant LAWRENCE used the information to
25 prepare compounded prescriptions forms, executed by physician L.W.
26 acting at his direction, that defendant LAWRENCE then submitted to
27 defendant TONY LE and others in exchange for a kickback that
28 defendant TONY LE paid from the AMPLAN claims reimbursements. These

1 reimbursements were received by TCMP based on its representation to
2 AMPLAN that TCMP had filled the prescriptions, notwithstanding that
3 the prescriptions were generated by defendant LAWRENCE without the
4 beneficiaries' permission and consent.

5 g. Defendants TONY LE, TED LE, KEVIN LE, and others known and
6 unknown to the Grand Jury, prepared and caused to be prepared
7 compounded medications prescriptions and caused claims to be
8 submitted to TRICARE and AMPLAN for reimbursement for the preparation
9 of such prescriptions. In many cases, TCMP and MHP had not, and
10 could not have, filled the prescriptions because the raw ingredients
11 for the prescribed compounds were not on hand, were unavailable from
12 suppliers, or defendants TONY LE, CINDY LE, and TED LE, and others
13 known and unknown to the Grand Jury, who were working with TCMP and
14 MHP, had not yet acquired the right to buy such ingredients from
15 distributors or wholesalers.

16 h. Defendant TONY LE and others known and unknown to the Grand
17 Jury submitted false and fraudulent claims for reimbursement for
18 prescriptions to TRICARE and AMPLAN knowing that the claims were
19 false and fraudulent because, among other things:

20 (1) None of the prescriptions arose from a bona fide
21 physician-patient relationship, as required by TRICARE rules;

22 (2) Substantially all of the prescriptions were faxed or
23 electronically sent to TCMP or MHP from marketers, instead of from
24 the identified prescribing physicians or the patients;

25 (3) Substantially all of the prescriptions were
26 identified using an identical or nearly identical form with pre-
27 formulated compounds;

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1 (4) Few, if any, of the beneficiaries for whom the
2 prescriptions were provided, and for which TCMP and MHP filled and
3 submitted claims to TRICARE and AMPLAN, ever paid, nor did TCMP and
4 MHP attempt, or intend to collect, any copayment, even though
5 defendants TONY LE, CINDY LE, and TED LE knew that TCMP and MHP were
6 required to collect a copayment for each prescription under TRICARE
7 and AMPLAN rules;

8 (5) It was clear from the prescriptions that the
9 purported prescribing physicians were often not located in the same
10 states as the beneficiaries;

11 (6) Defendants TONY LE, CINDY LE, and TED LE, and others
12 employed at TCMP and MHP, conducted little, if any, due diligence
13 upon receipt of the prescriptions to verify whether, in fact, the
14 beneficiaries actually sought the prescribed medications and, in some
15 cases, deliberately did not call beneficiaries in order to avoid
16 giving notice to the beneficiaries that the prescriptions were being
17 filled;

18 (7) The prescribed medications had little, if any,
19 medical value as all were for generic pain, scarring, stretch marks,
20 or erectile dysfunction, or were vitamins for "metabolic general
21 wellness";

22 (8) The compounded formulations were virtually identical
23 for all of the beneficiaries regardless of their purported illnesses,
24 and none of the prescriptions was specifically formulated based on
25 the individualized needs, medical history, allergic reaction
26 potential, contraindications, or conflicts with other prescription
27 medications that were unique to each beneficiary;

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1 (9) TCMP and MHP had filled few, if any, similar
2 prescriptions in the two previous calendar years; and

3 (10) The amount that TCMP and MHP claimed to TRICARE and
4 AMPLAN for reimbursement for each prescription was astronomical
5 compared to the non-compounded medication claims that TCMP and MHP
6 had previously submitted for reimbursement.

7 i. Defendant TONY LE directed defendant KEVIN LE and others
8 known and unknown to the Grand Jury to create nominee bank accounts,
9 and arranged for proceeds from TRICARE and AMPLAN claims
10 reimbursements to be deposited into these accounts. Thereafter,
11 defendant TONY LE directed and caused the transfer of the deposited
12 funds to individuals and other bank accounts for the purpose of
13 concealing and disguising the source of the funds.

14 j. Defendant TONY LE concealed and disguised the illegal
15 kickbacks that he paid to marketers by identifying the payments as
16 "loans" or "bonuses" on the memo line of the checks used to pay the
17 kickbacks to the marketers.

18 k. Suspecting that TRICARE would investigate their fraudulent
19 claims for reimbursement for filling medically unnecessary compounded
20 medications prescriptions, defendants TONY LE and KEVIN LE sent
21 releases to physicians, including T.K., to conceal and cover-up that
22 TCMP and MHP had wrongfully filled and sought reimbursement for
23 filling such prescriptions.

24 l. Defendant LAWRENCE opened and caused the opening of nominee
25 bank accounts, and caused the transfer to nominees of his
26 compensation from TCMP for referring compounded medications
27 prescriptions that he had fraudulently obtained from AMPLAN

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1 beneficiaries, in order to conceal that he had procured fraudulent
2 prescriptions.

3 D. EXECUTIONS OF THE FRAUDULENT SCHEME

4 21. On or about the dates set forth below, within the Central
5 District of California, and elsewhere, the defendants identified
6 below, together with others known and unknown to the Grand Jury,
7 aiding and abetting each other, knowingly and willfully executed and
8 attempted to execute the fraudulent scheme described above, by
9 submitting and causing to be submitted to TRICARE and AMPLAN the
10 following false and fraudulent claims:

COUNT	DATE	DEFENDANTS	CLAIM(S)
ONE	4/27/15	TONY LE CINDY LE KEVIN LE	Claim submitted by TCMP to TRICARE in the approximate amount of \$52,467 for CM prescriptions in the name of beneficiary B.P.
TWO	6/8/15	TONY LE LAWRENCE	Claim submitted by TCMP to AMPLAN in the approximate amount of \$11,043 for CM prescription in the name of beneficiary S.T.

COUNT THREE

[18 U.S.C. § 1349]

22. The Grand Jury repeats, realleges, and incorporates by reference paragraphs 1 through 20 of this Indictment as though fully set forth herein in their entirety.

A. OBJECT OF THE CONSPIRACY

23. Beginning on or about a date unknown, but at least as early as in or about March 2015, and continuing to in or about December 2016, in Orange and Riverside Counties, California, within the Central District of California, and in the Western District of North Carolina, and elsewhere, defendants TONY LE, CINDY LE, TED LE, KEVIN LE, and JEY LAWRENCE, together with others known and unknown to the Grand Jury, knowingly combined, conspired, and agreed to commit health care fraud, in violation of Title 18, United States Code, Section 1347.

B. MANNER AND MEANS OF THE CONSPIRACY

24. The object of the conspiracy was carried out, and to be carried out, in substance in accordance with the manner and means set forth in paragraph 20 above.

C. OVERT ACTS

25. On or about the following dates, in furtherance of the conspiracy and to accomplish the object of the conspiracy, defendants TONY LE, CINDY LE, TED LE, KEVIN LE, and LAWRENCE, together with others known and unknown to the Grand Jury, committed the following overt acts, among others, in the Central District of California and the Western District of North Carolina, and elsewhere:

1 a. On or about April 25, 2015, MHP submitted
2 approximately 199 claims to TRICARE for filling CM prescriptions
3 obtained by R.P. and signed by Dr. T.K.

4 b. On or about April 26, 2015, MHP submitted
5 approximately 172 claims to TRICARE for filling CM prescriptions
6 obtained by R.P. and signed by Dr. T.K.

7 c. On or about April 27, 2015, TCMP submitted a claim by
8 TCMP to TRICARE in the approximate amount of \$52,467 for filling CM
9 prescriptions in the name of beneficiary B.P.

10 d. On or about May 19, 2015, an MHP employee caused to be
11 sent by facsimile to Dr. T.K. a proposed certification that Dr. T.K.
12 had reviewed, prescribed, and signed CM prescriptions for an attached
13 list of patients.

14 e. On or about June 8, 2015, TCMP submitted a claim to
15 AMPLAN in the approximate amount of \$11,043 for filling a CM
16 prescription in the name of beneficiary S.T.

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COUNTS FOUR THROUGH TWELVE

[42 U.S.C. §§ 1320a-7b(b) (2) (A), 2(b)]

26. The Grand Jury repeats, realleges, and incorporates by reference paragraphs 1 through 20 of this Indictment as though fully set forth herein in their entirety.

27. On or about the dates set forth below, in Orange and Riverside Counties, within the Central District of California, and elsewhere, defendant TONY LE knowingly and willfully offered to pay, paid, and caused to be offered and paid remuneration to marketers, namely, the following payments, which constituted kickbacks in exchange for providing prescriptions to TCMP and MHP for which payment could be made in whole and in part under a federal health care program, namely, TRICARE, as follows:

COUNT	DATE	RECIPIENT (S)	PAYOR	AMOUNT
FOUR	5/27/15	A.P., through Accolade Equity LLC	TCMP, via check no. 88659, from Bank of America account ending in 7032 in the name of TC Medical Pharmacy Corp. ("BoFA 7032")	\$499,800
FIVE	5/27/15	A.P., through Accolade Equity LLC	TCMP, via check no. 88655, from BofA 7032	\$75,000
SIX	5/27/15	A.P., through Accolade Equity LLC	TCMP, via check no. 88658, from BofA 7032	\$500,000
SEVEN	5/27/15	A.P., through Accolade Equity LLC	TCMP, via check no. 88653, from BofA 7032	\$70,000
EIGHT	5/27/15	A.P., through Accolade Equity LLC	TCMP, via check no. 88656, from BofA 7032	\$75,000

COUNT	DATE	RECIPIENT (S)	PAYOR	AMOUNT
NINE	5/28/15	R.P., through Global Marketing Strategies Inc.	TCMP, via wire transfer from BofA 7032 to Suntrust Bank account ending in 9472	\$908,000
TEN	6/1/15	K.A., through Gentech	TCMP, via check no. 88666, from BofA 7032	\$100,000
ELEVEN	6/12/15	H.M.	TCMP, via check no. 88676, from BofA 7032	\$170,000
TWELVE	12/17/15	P.N., FBO M.D., through Preferred Health and K.A., through Gentech	TCMP, via transfer from BofA 7032 to Union Bank account ending in 9512 in the name of P.N.N.	\$740,900

COUNTS THIRTEEN THROUGH TWENTY-ONE

[18 U.S.C. §§ 1956(a)(1)(B)(i) and 2(b)]

25. The Grand Jury repeats, realleges, and incorporates by reference paragraphs 1 through 20 of this Indictment as though fully set forth herein in their entirety.

26. At all times relevant to this Indictment:

a. Defendant NHA LE TUAN TRUONG ("defendant NHA") was a resident of Fountain Valley, California, was a pharmacist, licensed by the State of California, and owned and controlled a pharmacy known as CNT Pharma, Inc., doing business as Global Compounding Pharmacy, located at 16027 Brookhurst St., Unit 1517, Fountain Valley, California ("Global"). Defendant NHA caused Global to submit claims for reimbursement to TRICARE for filling compounded medications prescriptions based upon prescription forms that were substantially similar to those used by TCMP and MHP, as alleged herein, and for which defendant NHA had agreed to pay and paid kickbacks to marketers for obtaining the prescriptions in a manner similar to that which defendant TONY LE had agreed to pay to marketers as alleged herein.

b. Defendant NHA controlled the bank account of a purported charity owned by his parents called the "Nhu Truong Foundation," through which he and defendant TONY LE caused to be concealed and laundered the proceeds of specified unlawful activity, namely, health care fraud.

27. On or about the following dates, in Orange and Riverside Counties, within the Central District of California, and elsewhere, each of the defendants named below, knowing that the property involved in each of the following financial transactions represented the proceeds of some form of unlawful activity, conducted, attempted

1 to conduct, and willfully caused the following financial transactions
 2 affecting interstate and foreign commerce, which transactions in fact
 3 involved the proceeds of specified unlawful activity, namely, health
 4 care fraud, in violation of Title 18, United States Code, Section
 5 1347, knowing that the transactions were designed in whole and in
 6 part to conceal and disguise the nature, location, source, ownership,
 7 and control of the proceeds of said specified unlawful activity:
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COUNT	DEFENDANTS	DATE	FINANCIAL TRANSACTION
THIRTEEN	TONY LE CINDY LE TED LE	5/1/15	Transfer of approximately \$400,000, from Bank of America account in the names of Tony Le and Cindy Le, ending in 2316 ("BoFA 2316"), to Ted Le, via check no. 376, notated as "loan," the source of which was a TRICARE claims reimbursement payment in the amount of approximately \$10,403,859
FOURTEEN	TONY LE CINDY LE TED LE	5/2/15	Transfer of approximately \$400,000, from BofA 2316 to Ted Le, via check no. 379, notated as "loan," the source of which was a TRICARE claims reimbursement payment in the amount of approximately \$10,403,859
FIFTEEN	TONY LE CINDY LE TED LE	5/12/15	Transfer of approximately \$100,000, from BofA 2316 to Ted Le, via check no. 380, the source of which was a TRICARE claims reimbursement payment in the amount of approximately \$10,403,859

COUNT	DEFENDANTS	DATE	FINANCIAL TRANSACTION
SIXTEEN	TONY LE CINDY LE TED LE	5/27/15	Transfer of approximately \$100,000, from BofA 2316 to Ted Le, via check no. 382, notated as "loan," the source of which was a TRICARE claims reimbursement payment in the amount of approximately \$10,403,859
SEVENTEEN	TONY LE KEVIN LE	7/9/15	Transfer of approximately \$600,000 from Bank of America account ending in 7032, in the name of TC Medical Pharmacy Corp. ("BofA 7032"), to Kevin Le, via check no. 88696, notated as "bonus," the source of which was a TRICARE claims reimbursement payment in the amount of approximately \$10,403,859
EIGHTEEN	TONY LE KEVIN LE	7/31/15	Transfer of approximately \$600,000 from BofA 7032, to Kevin Le, via check no. 88645, notated as "bonus," the source of which was a TRICARE claims reimbursement payment in the amount of approximately \$10,403,859
NINETEEN	TONY LE KEVIN LE NHA	12/29/15	Debit (counter) transfer of approximately \$600,000, from Bank of America account ending in 9285, in the name of MD Marketing Alliance, to Bank of America account ending in 3763 in the name of Nhu Truong Foundation ("NTF")

COUNT	DEFENDANTS	DATE	FINANCIAL TRANSACTION
TWENTY	TONY LE KEVIN LE NHA	12/30/15	Debit (counter) transfer of approximately \$550,000, from Bank of America account ending in 9638, in the name of Altamed Billing and Consulting LLC ("BoFA 9638"), to Bank of America account ending in 3763 in the name of NTF
TWENTY-ONE	TONY LE, KEVIN LE, NHA	12/30/15	Wire transfer of approximately \$70,000, from Wells Fargo account ending in 6019, in the name of Kevin Le, to Bank of America account ending in 3763 in the name of NTF

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FORFEITURE ALLEGATION ONE

[18 U.S.C. § 982(a)(7) and 28 U.S.C. § 2461(c)]

28. Pursuant to Rule 32.2(a), Fed. R. Crim. P., notice is hereby given that the United States will seek forfeiture as part of any sentence in accordance with Title 18, United States Code, Section 982(a)(7) and Title 28, United States Code, Section 2461(c), in the event of any defendant's conviction under any of Counts One through Twelve of this Indictment. Any defendant so convicted shall forfeit the following:

a. All right, title, and interest in any and all property, real or personal, that constitutes or is derived, directly or indirectly, from the gross proceeds traceable to the commission of any offense of conviction; and

b. To the extent such property is not available for forfeiture, a sum of money equal to the total value of the property described in subparagraph a.

29. Pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c), and Title 18, United States Code, Section 982(b), the convicted defendant shall forfeit substitute property, up to the total value of the property described in the preceding paragraph if, as a result of any act or omission of that defendant, the property described in the preceding paragraph, or any portion thereof (a) cannot be located upon the exercise of due diligence; (b) has been transferred, sold to or deposited with a third party; (c) has been placed beyond the jurisdiction of the Court; (d) has been substantially diminished in value; or (e) has been commingled with other property that cannot be divided without difficulty.

FORFEITURE ALLEGATION TWO

[18 U.S.C. § 982(a)(1) and 28 U.S.C. § 2461(c)]

30. Pursuant to Rule 32.2(a) of the Federal Rules of Criminal Procedure, notice is hereby given that the United States will seek forfeiture as part of any sentence, pursuant to Title 18, United States Code, Section 982(a)(1), and Title 28, United States Code, Section 2461(c), in the event of any defendant's conviction under any of Counts Thirteen through Twenty-One of this Indictment. Any defendant so convicted shall forfeit the following:

(a) Any property, real or personal, involved in such offense, and any property traceable to such property; and

(b) To the extent such property is not available for forfeiture, a sum of money equal to the total value of the property described in subparagraph a.

31. Pursuant to Title 21, United States Code, Section 853(p) and Title 18, United States Code, Section 982(b)(2), the convicted defendant shall forfeit substitute property, if, by any act or omission of that defendant, the property described in paragraph 1, or any portion thereof, cannot be located upon the exercise of due diligence; has been transferred, sold to, or deposited with a third party; has been placed beyond the jurisdiction of the court; has been

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1 substantially diminished in value; or has been commingled with other
2 property that cannot be divided without difficulty.

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4 A TRUE BILL

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6 Foreperson

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8 NICOLA T. HANNA
United States Attorney

9 

10 LAWRENCE S. MIDDLETON
Assistant United States Attorney
11 Chief, Criminal Division

12 RANEE A. KATZENSTEIN
Assistant United States Attorney
13 Chief, Major Frauds Section

14 STEPHEN A. CAZARES
Assistant United States Attorney
15 Deputy Chief, Major Frauds Section

16 MARK AVEIS
PAUL G. STERN
17 CASSIE D. PALMER
Assistant United States Attorneys
18 Major Frauds Section